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PRC Issues Advisory Opinion on Post Office Structure Plan Plan Accepted with Recommendations

Washington, DC - The Postal Regulatory Commission (Commission) today issued an Advisory Opinion on the Postal Service's Post Office Structure Plan (POStPlan), an initiative to match post office retail hours with workload, Docket N2012-2.

The Postal Service is required to seek an Advisory Opinion if its actions constitute a nationwide change in service levels. The POSTPlan reflects a determination by the Postal Service to explore options to adjust its retail window hours without closing post offices. Retail window hours of operation at more than 13,000 post offices nationwide will be reduced to 6, 4, or 2 hours per weekday, and in approximately 73 locations, hours of operation will increase.

The Commission found the objective of the POStPlan to be consistent with public policy, and acknowledged that the Plan may reduce retail service and customer convenience at post offices by reducing weekday hours of operation. To further enhance the implementation of the POSTPlan, the Commission Advisory Opinion provides recommendations concerning access, community input, revenue and staffing. Among the Commission's findings are:

- The customer preference survey should provide customers with a clear choice between 1) keeping their post office open with reduced hours or 2) closing their post office and providing replacement delivery service.
- To the extent possible, the Postal Service should not implement a reduction in retail hours at POStPlan facilities prior to making necessary modifications to buildings and/or operations so that current levels of access for existing post office box customers continues.
- The Postal Service's instructional memorandum to area vice presidents and district managers should explain that every effort should be made to locate qualified staff and successfully negotiate a lease before overriding a community's preference for a POStPlan office with realigned hours.
- The Postal Service's instructional memorandum should reflect the Postal Service's stated POStPlan policy, especially as it relates to Village Post Offices (VPOs).
- An internal review and data collection plan will help the Postal Service evaluate whether the POStPlan is meeting its objectives and goals. Monitoring and measuring changes in revenue at POStPlan offices should be part of post-implementation reviews.

"The Commission is pleased that the Postal Service has been responsive to the suggestions we have been making in regard to community input and maintaining universal service in all communities," said Ruth Y.

Goldway, the Commission's Chairman. "With the Postal Service's assurances, as documented in this Advisory Opinion, the Commission believes that adequate retail access will be preserved throughout the Nation."

The Postal Service has assured the Commission through written and oral testimony that access to postal services will be maintained in the following ways:

- Post offices will continue to provide the same services they provide today.
- Access to post office boxes will remain unchanged.
- Collection boxes at post offices will remain in place.
- Saturday hours will not be affected.
- Post offices in the most remote and isolated locations will remain open at least six hours each weekday.

The Postal Service also emphasized that it generally will not close offices unless a community expresses a strong preference for discontinuance.

A copy of the Commission's Advisory Opinion may be found on the PRC website at <u>N2012-2</u>, along with concurring opinions by Goldway and Commissioner Tony Hammond.

The Postal Regulatory Commission is an independent federal agency that provides regulatory oversight over the U.S. Postal Service to ensure the transparency and accountability of the Postal Service and foster a vital and efficient universal mail system. The Commission is comprised of five Presidentially-appointed and Senate-confirmed Commissioners, each serving terms of six years. The Chairman is designated by the President. In addition to Chairman Goldway, the other Commissioners are Vice Chairman Nanci Langley, Mark Acton, Tony Hammond and Robert Taub.